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Journal - Office of Legislative Counsel
Thursday - 16 January 1969

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3. [] Hand carried to Bill Woodruff, on the staff of the Senate Appropriations Committee, the Intelligence Memorandum entitled The 1969 Soviet Defense Budget. I advised Woodruff that this was an inherently complicated subject and that there were no simple answers. I added, however, that if he had any trouble with this to let me know and I would be happy to have Bruce Clarke go over it with him.

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I told Woodruff we had been unable to schedule a meeting with Bill [] for tomorrow and it was agreed we would try to set up a new date which would be convenient for all parties, probably next Tuesday or Wednesday.

Alerted Woodruff to the fact that, as he had done once before, Dr. Pecora, Director of the Geological Survey, would like to talk with him soon in areas involving compartmented information and Pecora's assistant, Mr. Sibert, would be calling him in the next day or so. Woodruff recalled the prior meeting with Director Pecora and said he would be happy to talk with him again.

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4. [] Picked up from Dorothy Fosdick, Staff Director of the Subcommittee on National Security and International Operations, some material from the Soviet Diplomatic Dictionary on the subject of Communist diplomacy. Miss Fosdick has asked if we would be good enough to translate one page of this directory for inclusion in a report by the Subcommittee. I told her we would be happy to do so. She asked that we also review several other pages, which she included, for other information of interest.

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5. [] Talked with C. B. Morrison, on the staff of Senator Allen Ellender (D., La.), and arranged to return the first reel of the Senator's film tomorrow. Morrison said the Senator had also indicated that he would be happy to talk with our people about his trip at a mutually convenient time. We are to be in touch with Miss Marihelen Horneman, the Senator's personal secretary, to set a date and time.

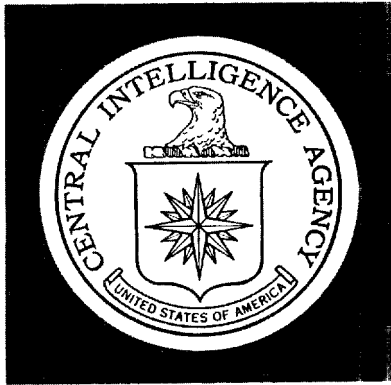
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6. [] At his request, I dropped by to see Jim Gehrig, Staff Director of the Senate Space Committee, and reviewed with him the facts regarding Soyuz 4 and 5. Gehrig indicated interest in visiting the Agency and a briefing by our people to be updated on the status of the Soviet programs. We are working with FMSAC to establish a convenient date sometime during the week of 27 January.

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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

The 1969 Soviet Defense Budget

Secret

Copy No. 47

SR IM 69-2
January 1969

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Approved For Release 2006/01/30 : CIA-RDP71B00364R000100190066-5

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
13 January 1968

INTELLIGENCE MEMORANDUM

The 1969 Soviet Defense Budget

Summary

Soviet spending on defense and space programs in 1969 probably will increase at a more moderate rate than that indicated by the recent Soviet budgetary announcement. Total Soviet expenditures on observed and estimated military and space programs, including R&D, will probably amount to about 20.4 billion rubles in 1969, compared with about 20.0 billion rubles in 1968.

The Soviets, in contrast, announced an increase of one billion rubles--or six percent--in defense expenditures, as well as a 13 to 14 percent growth in expenditures for "science," which is the category believed to cover much of the military R&D and space effort as well as civilian scientific endeavors.

Spending for strategic offensive programs in 1969 is expected to remain at about the 1968 level. ICBM expenditures are declining as the SS-9 and SS-11 deployment programs draw to a close. This decline probably will be offset, however, by increased outlays for new MRBM/IRBM and submarine-launched ballistic-missile systems.

Note: This memorandum was produced solely by CIA. It was prepared by the Office of Strategic Research and coordinated with the Offices of Current Intelligence, Economic Research, and National Estimates.

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Expenditures for strategic defensive systems are expected to increase slightly, owing mainly to the deployment of new interceptor aircraft. Spending for ABM defense around Moscow and the SA-5 SAM system is expected to remain at about the 1968 levels.

Expenditures currently projected for general purpose force programs also show only a modest increase in 1969. The Czechoslovak crisis and the Middle East conflict probably have increased pressures to augment equipment holdings and improve operational readiness levels of the general purpose forces, however, and actual expenditures for this mission could go beyond present projections.

The Soviets are expected to increase expenditures for military R&D and space--the category which has been responsible for most of the long-term growth in Soviet defense and space spending--by about ten percent in 1969. Major R&D programs for strategic systems--an improved ABM system and multiple warheads for ICBM's--are already under way, and rising expenditures for space are anticipated.

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OLC 69-0034

MEMORANDUM FOR: Mr. John Maury
7D 43

Sometime ago I mentioned to [redacted] that we would have an intelligence memo on the 1969 Soviet defense budget out shortly. Here it is, and I hope it will be useful in talking with Congressmen and their staffs about Soviet military matters. I would only add this plea--the subject is inherently complicated and there are no simple answers. If you could help people to remember this, it will be better for us all. If you would like additional copies, please let me know.

[redacted]
BRUCE C. CLARKE, Jr.

14 January 1969
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)

CENTRAL INTELLIGENCE AGENCY DOCUMENT RECEIPT		NOTICE TO RECIPIENT Sign and Return as Shown on Reverse Side		COURIER REC. NO.	DATE SENT
SENDER OF DOCUMENT(S)		ROOM	BLDG.	DATE DOCUMENT(S) SENT	
DESCRIPTION OF DOCUMENT(S) SENT					
CIA NO.	DOCUMENT DATE	COPIES	DOCUMENT TITLE	ATTACHMENTS	CLASS
SR IM 69-2	Jan 69	cy 37	Intelligence Memorandum The 1969 Soviet Defense Budget		S
RECIPIENT					
ADDRESS OF RECIPIENT Committee on Appropriations Room 1241, New Senate Office Building Washington, D.C. 20510			SIGNATURE (ACKNOWLEDGING RECEIPT OF ABOVE DOCUMENT(S)) <i>Wm. W. Woodruff</i>		
			OFFICE	DATE OF RECEIPT 1-16-69	

FORM 12-61 **615** USE PREVIOUS EDITIONS

(33)

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JOURNAL

OFFICE OF LEGISLATIVE COUNSEL

Wednesday - 15 January 1969

1. (Confidential - JGO) Received a call from Mr. J. Sourwine, Chief Counsel, Senate Internal Security Subcommittee, who advised that the Subcommittee intends a review in depth of the security clearance procedures and reviews that were conducted concerning the security clearance of [REDACTED]

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[REDACTED]
[REDACTED] I thanked Mr. Sourwine for his concern and advised that I would relay his query and be back in touch with him.

2. (Secret - JGO) Talked to Mr. Robert Michaels, House Appropriations Committee staff, and after discussion with him, put off the planned briefing by [REDACTED] C/FE, until next week. Further conversation will be necessary with Mr. William Woodruff, Senate Appropriations Committee staff, before scheduling the briefing. Mr. [REDACTED] has been advised.

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3. (Internal Use Only - CEA) Picked up Professor S. Calian and a group of six at the office of Representative John Culver (D., Iowa) and brought them to the Agency for a briefing by Drex Godfrey.

4. (Internal Use Only - CEA) Mrs. Ann Bolton, in the office of Representative Edward J. Derwinski (R., Ill.), called on behalf of a constituent who had deserted the Army to East Germany and who since has returned and wants to bring his wife and child into the United States. I told Mrs. Bolton that this is primarily a visa problem and she should get in touch with the Department of State.

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5. (Secret - GLC) [] Office of Security, called and asked if we would be willing to contact William Woodruff, on the staff of the Senate Appropriations Committee, again to alert him to the fact that the Department of Interior Geological Survey officials would like to talk with him with regard to the program carried on by the Geological Survey which involves sensitive compartmented information. I told Thomas that I would be glad to talk with Woodruff to alert him to a call from Geological Survey officials.

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6. (Internal Use Only - LLM) Met with Mr. Wade Isaacs, Administrative Assistant to Representative David E. Satterfield (D., Va.), concerning the report we had received from [] that the Congressman and his Administrative Assistant and Legislative Assistant would be interested in visiting the Agency. Isaacs seems to be very understanding and is a close personal friend of the [] and decided that it would be best if the Congressman visited the Agency by himself. Mr. Satterfield has a back problem and had just gone to Richmond for treatment and Isaacs said he would get in touch with me to suggest a convenient time for the visit to the Agency and topics in which Mr. Satterfield would be particularly interested.

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7. (Internal Use Only - LLM) Met with George Armstrong, in the office of Representative John M. Ashbrook (R., Ohio), in connection with their interest in receiving a second copy of the FBIS White Book. He explained that Mr. Ashbrook emphasized the informational role of a congressman and in this connection uses inserts in the Congressional Record as a primary means in fulfilling this responsibility. I explained that we would be happy to give them a second copy of the White Book, but wanted him to know that we print only a limited number. So far they have not inserted FBIS material into the Record, []

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Tuesday - 14 January 1969

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25X1A 7. (Secret - JMM) In response to a call from William Miller, Administrative Assistant to Senator John Sherman Cooper (R., Ky.), and with the approval of the Director, I accompanied Messrs. Harry [redacted] to Senator Cooper's office this afternoon. Senator Cooper was interested in the present situation in Communist China and in the possibility of a somewhat more flexible U.S. policy toward the Peking regime. [redacted] summarized the situation regarding the internal conditions and foreign relations of the ChiCom regime and in response to the Senator's question pointed out some of the possible results and limitations of any U.S. effort to improve Chinese-American relations at this stage.

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8. (Confidential - GLC) John Norpel, Research Director, on the staff of the Senate Subcommittee on Internal Security, called to pass on some information he thought we would want to know about concerning the hospitalization of Allen Dulles at the Georgetown University Hospital.

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25X1A [redacted] [redacted]

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[redacted]

JOHN M. MAURY
Legislative Counsel

cc:
O/DDCI Ex/Dir-Compt
EA/DDP DD/I DD/S&T
DD/S OPPB Mr. Goodwin
Mr. Houston [redacted]
Item 4 - Special Assistant for [redacted]/DD/S

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9. (Secret - CEA) Delivered a copy of the Agency paper "Restless Youth" to Jay Sourwine, Chief Counsel, Senate Internal Security Subcommittee. It was agreed that I would pick up the paper on 17 January.

10. (Internal Use Only - RW) Mr. Howard Cohen, in the office of Representative Donald Rumsfeld (R., Ill.), called to request subscriptions to four FBIS Area Books: Eastern Europe, Middle East and Africa, Latin America and Western Europe, and Asia and Pacific. These should be sent to his attention, 103 Cannon House Office Building. They were particularly interested in having the first two listed above started as soon as possible.

[REDACTED] FBIS, will take care of these subscriptions.

11. (Unclassified - LLM) Mr. Irving Jacobs, of the Social Security Administration, called and advised that they had not met their deadline on transmitting the report on Social Security and Federal employment to the House Ways and Means and Senate Finance Committees which has been the subject of previous correspondence between us. He said a letter was being sent to the Director to request comments on an updated version of the report, which also contains specific recommendations prior to its submission to the congressional committees involved. I pointed out several errors in the appendixes to the report, which we had recently received separately, and he said he would make these corrections as they pertain to the CIA and Civil Service systems.

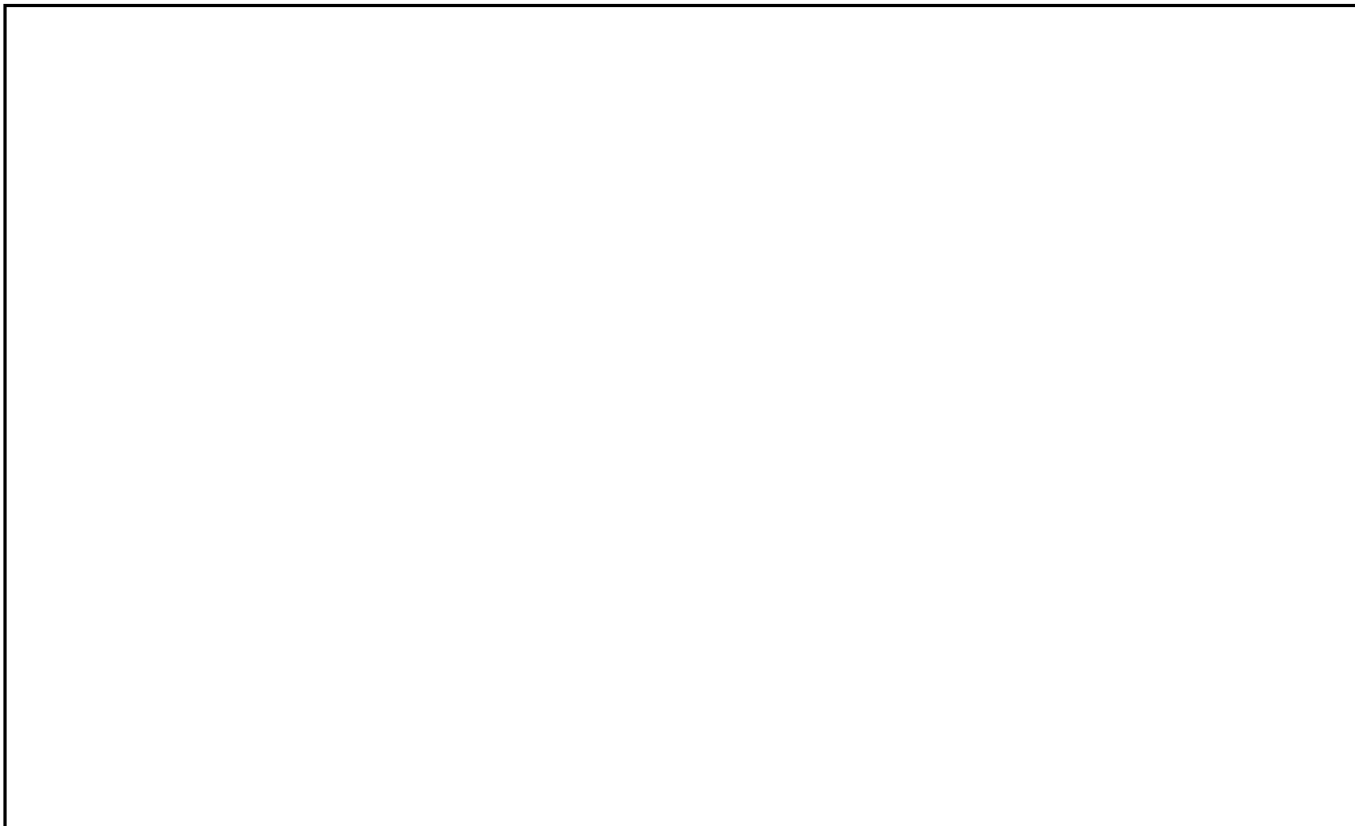
12. (Secret - GLC) In response to his request, Mr. Lloyd K. Lauderdale, DD/S&T, briefed Mr. William Woodruff, of the Senate Appropriations Committee staff, on an Agency sensitive project which was the subject of a withdrawal from reserves described in our letter to Senator Russell dated 23 December 1968. Although he had expressed an opinion earlier that it would probably be necessary for Mr. Helms to talk to Senator Russell about this project, Woodruff indicated, after Lauderdale's briefing, that he thought he could handle this with the Chairman. Woodruff said the briefing had been extremely helpful in this regard. He did say, however, that at an appropriate time, before the project becomes operational, the Director should talk to Senator Russell about this.

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8. (Secret - GLC) [redacted] advised that James Gehrig, Staff Director, Senate Committee on Aeronautical and Space Sciences, had made an inquiry to the Department of Defense (DOD) which involves a sensitive Agency project. I subsequently saw Gehrig and gave him the minimum briefing necessary on this project in order to be of assistance to Gehrig and to take the pressure off DOD. Gehrig was most cooperative and understanding and expressed his appreciation for my seeing him on this. He said he would like to brief Chairman Anderson on this and I readily agreed. Gehrig and I then worked out some ground rules regarding the handling of inquiries he may receive from other members of the Space Committee with the exception of CIA Subcommittee members (who have already been briefed on the project). Gehrig will consult us for our advice as to how the inquiries should be handled. 25X1A

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8 January 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Listing of CIA Subcommittee in Senate
Appropriations Committee Publications

1. On this date, while talking with Mr. William Woodruff, of the Senate Appropriations Committee staff, on other matters, he mentioned he was considering recommending to Senator Russell that the Committee include in its published listing of subcommittees one which would cover the Agency. He said he planned to suggest that it be listed as the "Intelligence Activities Subcommittee" and he asked for my comments on this. He also mentioned that this listing would be carried under a Defense heading.

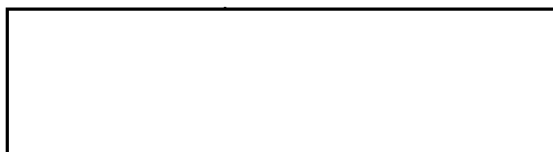
2. I had several reactions. I told Woodruff that I thought an Appropriations Committee listing under intelligence activities might give the impression that the Committee was attempting to assert new and specific legislative oversight over all intelligence activities including those of the Department of State. I added that this might ruffle the feathers of Senator Fulbright. Since such a title would imply something more than mere oversight of CIA, this could precipitate the same kind of debate which occurred over the Senate Foreign Relations Committee's attempt to exercise jurisdiction over the Agency as proposed by the McCarthy resolution several years ago.

3. I also questioned the wisdom of including this listing under a Defense heading. I pointed out that from a somewhat parochial view this would tend to give the impression the Agency was subordinate to the Defense establishment, specifically, the Department of Defense, and this certainly was not the case for the DCI authority extends over the entire intelligence community of which the armed services are but a part. Mr. Woodruff said he was inclined to accept my suggestion

regarding the listing. He pointed to several instances which were similar to this and added anyone with any real knowledge on the subject was aware that CIA was not a part of the Defense establishment as such. As I had expected, he also pointed out that one reason for publishing the listing in this way was the fact that, as a matter of past practice, the Chairman had selected members for the CIA Subcommittee from the membership of the Defense Subcommittee. Publishing the listing in this way would tend to fortify that practice.

4. Mr. Woodruff said he was not certain a new listing would be made but he intends to take the matter up with Senator Russell at an appropriate time.

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Deputy Legislative Counsel

Distribution:

Orig - Subject - *See 1/13/69*
1 - Chrono

OLC/GLC:gs(13 January 1969)